FORWARD-LOOKING STATEMENTS
Forward-looking statements, such as those relating to earnings forecasts and other projections contained in this material, are management’s current assumptions and beliefs based on currently available information. Such forward-looking statements are subject to a number of risks, uncertainties, and other factors. Accordingly, actual results may differ materially from those projected due to various factors.
Demand for photographic film dropped rapidly after its peak in 2000 due to digitalization.

![Graph showing the decline in demand for photographic film](image)

*Index based on an aggregate demand of 100 in FY2001/3

Rapid Decline

Peak

FY1994/3 FY2001/3 FY2011/3

Core technologies created from its photographic business:

- Making film bases
  - Expanding and uniformly flattening molten materials in units of micrometers to make an optically warp-free, thin film

- Making photosensitive emulsions
  - Developing and printing photographs

- Coating functional materials on base films
  - Ensuring the high-quality design and manufacture of lenses, hardware, and systems

- Designing functional materials at the nanometer level

- Photographing with a camera

- Developing wide-range of businesses utilizing core technologies cultivated through its photographic business

- Controlling chemical reactions to ensure proper images and building appropriate systems

**Boldly diversified its business utilizing its high technological capabilities cultivated through photographic business**
3. Priority business fields

**Business Portfolio**

**Imaging**

**Healthcare & Material (healthcare)**

**Document**

**Strengthening of governance** + **Accelerating global business deployment**

- **Enhancement of shareholder returns** → **Delivering a record profit and improving the ROE**
- **M&A investments** → **Strategic leap forward**

4. Imaging Solutions

**Photo Imaging**

**Instax instant camera**
Maintain and increase sales and profit by expanding the lineup of high-value added products and sales of *instax* film.

**Printing business**
Expand sales and profit by reinforcing sales of such high-value-added printing services as *Photobook* and *Wall Decor*.

Delivering highly competitive products that incorporate proprietary technologies to generate stable profits, while contributing to the development of photographic cultures.
### Optical Device & Electronic Imaging

**Electronic Imaging**
- Established 2 pillars of differentiated mirrorless camera lineups; **GFX Series** with large-size, 1.7 times of the full-size sensor and ultra-high image quality, and **X Series** with small-sized, lightweight body and high image quality.
- All key devices of sensor, image processing, lens are developed in-house. Realizing outstanding quality images by unique color reproduction technology.

Aiming to expand market share in interchangeable lens camera market by strengthening lineup of mirrorless cameras and interchangeable lenses, which realize both small / lightweight body and high image quality.

### Optical Device

- **Broadcasting, cine lenses**
- **Surveillance, machine vision lenses**
- **Automotive lenses**
- **Projector lenses**

Utilizing FUIJINON's high optical technology and high-precision processing, assembly technologies, focusing on high-value added, growing area such as 4K/8K-compatible broadcasting lenses.
The healthcare business field has been expanded to encompass wide-ranging businesses relating to people’s health, from diagnosis to treatment and prevention and aims to achieve 520 billion yen in sales and 9.2% of OPM in FY2020/3.

Centered on Medical IT, Endoscopes, Ultrasound, and In Vitro Diagnosis, Medical systems business aims to achieve sales growth of 7% per annum.
5. Healthcare & Material Solutions

Healthcare (Medical Systems – Medical IT)

Medical imaging and information management system (PACS)

- Picture
- Archiving and Communication
- System

- SYNAPSE is used at 5,100 sites worldwide. (as of Dec. 2018)
- It has gained high praise from major hospitals in various areas and captured the world’s top market share. (FY 2018/3, according to a survey by Fujifilm)

AI utilization

- Launched Synapse SAI viewer equipped with AI technology.
  (Starting from Japan in July 2019)
- The first functions of AI applications, “multi-organ segmentation” and “numbering of vertebrae” and such.

More AI applications will follow. We aim to be a market leader in the AI-driven medical diagnostic imaging area.

5. Healthcare & Material Solutions

Healthcare (Medical Systems - Endoscopes)

Launch competitive products with high added value, that utilizes image processing technology cultivated through the photographic business and thinning technology etc.

- Transnasal endoscopes
- Double-balloon endoscopes
- Endoscope systems with laser light sources

LASEREO

Fujifilm’s image processing technology enhanced the visibility of the diseased part.

BLI (Blue LASER Imaging)

Two types of laser light source
Surface of mucous membrane
Mucous membrane

High-intensity contrast imaging with BLI allows superior visualisation of superficial vascular and mucosal patterns.

LCI (Linked Color Imaging)

Image processing technology

LCI differentiates the red color spectrum more effectively than White Light imaging. The increased color contrast improves detection of inflammation and results in more accurate delineation.

Realize sales growth by expanding sales of differentiated products
In March 2012, Fujifilm acquired SonoSite, the U.S.-based leading manufacturer of portable and point-of-care (POC) ultrasound diagnostic equipment.

In the POC ultrasound field, provide wide range of products with high development capabilities. The world's top market share in portable ultrasound diagnostic equipment. (According to a survey by IHS, 2017)

Global demand is gradually declining and Fujifilm is focusing on increasing its market share. In emerging countries, demand for film used for output proceeds steadily.

FCR: Fuji Computed Radiography. Fujifilm was the first to develop this medical equipment (launched in 1983) and has a high market share. There are only four manufacturers of CR equipment in the world.

DR: Digital Radiography. Several manufacturers are entering this field and competition is intensifying. Launch products with differentiated technology such as image processing technology and special function.

Realized significant X-ray diagnostic imaging system cost reductions of by reviewing its equipment design and parts procurement costs. Improved profitability.
Healthcare (Medical Systems – IVD(In Vitro Diagnosis))

- Providing Point of care testing (POCT) type of In Vitro Diagnosis system used in an examining room or at the bedside in a hospital to immunology POCT market and biochemistry POCT market.
- In 2017, Clinical Diagnostics business of Wako Pure Chemical was added. Product lineup expanded and almost all of the domestic hospitals became accessible.
- In animal healthcare business, our business extends in wide-ranging fields from POCT system such as FUJI DRI-CHEM and DRI-CHEM IMMUNO AU10V to contract clinical test for animals.

Quick determination diagnostic system through highly sensitive immunochromatography IMMUNO AG series

By applying the silver amplification principle of photographic development, the colloidal gold particles that are the targets are amplified up to 100 times or more, leading to the improvement of detection sensitivity. Dedicated reagent kit for Influenza, adenovirus, RS virus, Streptococcus pyogens, mycoplasma pneumonia is available.

Realize large sales and OP growths by expanding business area and sales channels.

Healthcare (Pharmaceuticals, Biopharmaceutical CDMO)

- Has built a business foundation via M&As
- Sales of approved drugs, bio CDMO and R&D for new drugs

FUJIFILM Toyama Chemical*
Development / manufacturing of small-molecule drugs
Development / manufacturing / sales of radiopharmaceuticals

FUJIFILM Kyowa Kirin Biologics
Development / manufacturing / sales of biosimilars

FUJIFILM Bioscience & Engineering Laboratory

Technological Resources

- Compound design technology
- Analysis technology
- Original nanotechnology
- Image Diagnosis technology
- Quality Control / high productivity technology
- Collagen technology

FUJIFILM Diosynth Biotechnologies
CDMO* of biopharmaceuticals

FUJIFILM Wako Pure Chemical
CDMO of raw materials of pharmaceuticals Development/manufacturing/sales of media, laboratory chemicals

* CDMO: Contract Development & Manufacturing Organization
5. Healthcare & Material Solutions

Healthcare (Pharmaceuticals : Drug Delivery System (DDS))

- Fujifilm is promoting the development of DDS technologies that deliver the required amount of a drug to the specific area on the necessary schedule.
- With the aim of applying the technologies not only to marketed drugs but expanding to next-generation drugs such as nucleic acid drugs and gene therapy drugs, Fujifilm is undertaking the research and development of DDS.

-Nano-dispersion technology
  Application of proprietary nano-dispersion technology
  -> Alcohol free for transdermal drug, improvement of absorption for oral drugs.

-Micro-needles
  High expectation as a painless and easy dosing method which replaces injection
  Application of proprietary high-precision manufacturing and forming technology
  -> Aseptic facility for human clinical research started operation.

-Liposome
  Encapsulate drugs in liposome to deliver efficiently to the affected area.
  -> Preparing for clinical trials of several anti-drug agents.
  -> Clinical trials of FF-10832, liposomes preparation which the anti-cancer agent gemcitabine* is incorporated in started in May, 2018 in the US.

* Gemcitabine (Gemzar) is an anti-cancer agent developed by the US company Eli Lilly and Company. It is used as a drug of first choice for the treatment of pancreatic cancer, and is also indicated for the treatment of a wide range of other cancers including lung cancer and ovarian cancer.

<table>
<thead>
<tr>
<th>Development code</th>
<th>Therapeutic category</th>
<th>Formulation</th>
<th>Region</th>
<th>Development stage</th>
</tr>
</thead>
<tbody>
<tr>
<td>T-705</td>
<td>Anti-influenza drug</td>
<td>Oral</td>
<td>Japan</td>
<td>Approved</td>
</tr>
<tr>
<td></td>
<td>Severe fever with thrombocytopenia syndrome virus drug</td>
<td>Oral</td>
<td>U.S.A.</td>
<td>F/I</td>
</tr>
<tr>
<td>T-3811</td>
<td>Quinolone synthetic antibacterial drug</td>
<td>Oral</td>
<td>Japan</td>
<td>P/I</td>
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<tr>
<td>T-2307</td>
<td>Antifungal drug</td>
<td>Injection</td>
<td>U.S.A.</td>
<td>P/I</td>
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<tr>
<td>T-817MA</td>
<td>Alzheimer's disease drug</td>
<td>Oral</td>
<td>U.S.A.</td>
<td>P/I</td>
</tr>
<tr>
<td></td>
<td>Functional recovery after stroke (promoting the effect of rehabilitation)</td>
<td>Oral</td>
<td>Japan</td>
<td>P/I</td>
</tr>
<tr>
<td>T-4288</td>
<td>New fluoroketolide antibacterial drug</td>
<td>Oral</td>
<td>Japan</td>
<td>Submitted an application for permission</td>
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<td>FF-10501</td>
<td>Myelodysplastic syndrome drug</td>
<td>Oral</td>
<td>Japan</td>
<td>P/I</td>
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<tr>
<td>FF-10502</td>
<td>Advanced/recurrent solid cancer drug</td>
<td>Injection</td>
<td>U.S.A.</td>
<td>P/I</td>
</tr>
<tr>
<td>FF-21101</td>
<td>Advanced/recurrent solid cancer drug (armed antibody)</td>
<td>Injection</td>
<td>U.S.A.</td>
<td>P/I</td>
</tr>
<tr>
<td>F-1311</td>
<td>Diagnostic drug for prostate cancer (radiotherapeutics)</td>
<td>Injection</td>
<td>Japan</td>
<td>P/I</td>
</tr>
<tr>
<td>FF-10101</td>
<td>Acute Myeloid Leukemia (AML) drug</td>
<td>Injection</td>
<td>Japan</td>
<td>P/I</td>
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<tr>
<td>F-1515</td>
<td>Anti-tumor (neuroendocrine tumors) drug</td>
<td>Injection</td>
<td>U.S.A.</td>
<td>P/I</td>
</tr>
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<td>FF-10832</td>
<td>Advanced solid cancer drug (gemcitabine liposome)</td>
<td>Injection</td>
<td>Japan</td>
<td>P/I</td>
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<tr>
<td>F-1614</td>
<td>Anti-tumor (pheochromocytoma) drug</td>
<td>Injection</td>
<td>Japan</td>
<td>P/I</td>
</tr>
</tbody>
</table>
Healthcare (biopharmaceutical CDMO)

- Fujifilm conducts its contract development and manufacturing business for biopharmaceuticals, primarily at FUJIFILM Diosynth Biotechnologies (FDB) that became a subsidiary in 2011.
- Realizing business expansion beyond the market growth (CAGR 8%) by utilizing top-level technologies for achieving high titres and expanding production capacities to largely increase contracts.
- Aggressive capital investment in US and UK facilities of FDB (approximately ¥31.0b in total).
  - Sep 2017: Built additional facilities for process development in the UK site
  - Jan 2018: Started operation of the first 2 mammalian cell culture bioreactors in the US site
  - Early 2021: To start operation of a drug product manufacturing line in the US site
- The acquisition of Biogen’s manufacturing subsidiary in Denmark, which has a large production capacity, completed in Aug 2019 to meet the various CDMO needs and accelerate business growth.

<Business Environment>
-Biopharmaceutical production requires advanced manufacturing technologies and facilities for culturing, separation and purification.
-Growing demand for pharmaceutical and bio-venture companies to outsource process development and manufacturing of biopharmaceuticals to CDMOs with excellent technologies and facilities.
-CAGR of the CDMO market for biopharmaceuticals expected around +8%.
-Customer needs diversified from R&D to commercial production.

<Technologies of FDB>
- Microbial culture:
  - pAVEway™, a high-end technology of microbial culture
- Mammalian culture:
  - Apollo™X, a high performance mammalian expression platform
- Vaccine manufacture:
  - Advanced containment technology to contain viruses, required for manufacturing gene therapeutics, and mobile clean rooms

Healthcare (Regenerative Medicine)

The Three Key Components for Regenerative Medicine

- Cell
  - FUJIFILM Cellular Dynamics
  - Japan Tissue Engineering

- Scaffold (recombinant peptide)
  - FUJIFILM Corporation

- Cell Culture Medium/ Cytokine
  - FUJIFILM Wako Pure Chemical Corporation
  - FUJIFILM Irvine Scientific

Contributing to the elevation of regenerative medicine business to the industrial stage as a leading company.

- Accelerating the use of cell therapy pipeline in actual treatments (GvHD, Cancer, Age-related macular degeneration etc.)
- Utilizing Fujifilm Group’s foundation technologies to expand CDMO business
- Expansion of drugs discovery support business that utilize iPS cells
Utilizing technologies cultivated through its photographic business, Fujifilm started its cosmetics business in 2006. Fujifilm expanded its lineups, such as the ASTALIFT series, the Lunamer series with women in their 20s and 30s as its main target. The ASTALIFT series is a total healthcare brand that includes base makeup, supplements, and hair care products in addition to skincare products.

**ASTALIFT series**

Differentiate itself from competitors and offer its original products supported by science, utilizing proprietary technologies.

**Lunamer series**

**Supplement**

The major component of photo film is collagen, the same as that of the skin. Conventional nano-technology for photographic exposure and color development is used. The nano-technology for photographic exposure and color development is used. The antioxidant technology of photo film is used. Without antioxidant technology, causes skin blemishes and aging. With antioxidant technology, improves permeability and absorption of ingredients.

**Collagen**

Main ingredient of photo film

Forms about 70% of dermis

**Oxidation**

Causes color fading of photos

Causes skin blemishes and aging

**The antioxidant technology**

Of photo film is used

Without antioxidant technology

25 years after

With antioxidant technology

**The nano-technology**

For photographic exposure and color development is used

Conventional Nano-technology

New Nano-technology

**Link between photographic technologies and cosmetics**
Our functional materials which are used in LCDs

![Diagram showing LCD structure]

**Our Products**
- **FUJITAC**
- **WV/VA/IPS film**

**Differences in LCD modes**

<table>
<thead>
<tr>
<th></th>
<th>TN mode</th>
<th>VA mode</th>
<th>IPS mode</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contrast</td>
<td>○</td>
<td>○</td>
<td>△</td>
</tr>
<tr>
<td>Viewing angle</td>
<td>△→○</td>
<td>X→○</td>
<td>○→○</td>
</tr>
<tr>
<td>Efficiency of light emission</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Manufacturing cost</td>
<td>Low</td>
<td>Middle</td>
<td>High</td>
</tr>
</tbody>
</table>

To cover weak points or improve quality, “compensation films” are used.

**FUJITAC**
- Protective film for polarizer. Used regardless of any difference in LCD mode.

**WV film**
- A compensation film that widens the viewing angle in TN mode.
  - Fujifilm has 100% market share.

**VA film**
- A film used for the polarizer in VA mode to control the inflection of light for better viewing angles and contrast.

**IPS film (Z-TAC)**
- A film used for the polarizer in IPS mode to contain tint fluctuations when the screen is viewed diagonally.

Diagram showing volume of panel shipments and main films used by application

(as of Jan.-Dec.2018, internal investigation)
5. Healthcare & Material Solutions

Highly Functional Materials (Display Materials)

For TVs

- Demand for LCD panels continues to gradually grow as the size of TVs increases
- Promote sales of FUJITAC and VA/IPS film
- Steadily supply WV film, which we have 100% market share

For small and medium-sized displays

- For LCD panels, Reinforce sales of super-thin FUJITAC and IPS film for smartphones and tablet PC
- For OLED panels, promote sales of new products such as materials for touch panels and films for circular polarization

Realize sales growth owing to a sales expansion of new products for OLED panels while maintaining stable sales and profit of TAC films for LCD panels

Highly Functional Materials (Industrial Products, Electronics Materials & Fine Chemical)

Industrial Products

- Non-destructive testing equipment and materials (industrial-use X-ray films, digital X-ray imaging system)
- Microfilters
- PRESCALE (Pressure measurement film)

- EXCLEAR (Sensor film for touch panels)
  Realize high transparency and flexibility by patterning with silver on a transparent PET base film.
  Low resistance and can be adjusted to medium-to large-sized touch panels.
  Enables simplified manufacturing process.

- CO2 separation membrane

Expand sales of high-value-added products equipped with Fujifilm’s advanced technologies, which can bring in high profitability

Revenue in FY2019/3
¥179.8 billion
5. Healthcare & Material Solutions

Highly Functional Materials (Industrial Products, Electronics Materials & Fine Chemical)

Electronics Materials

Offer products used when manufacturing semiconductors

![Image of IC chip and cross section showing wirings bonded within the multi-layer structure]

- **Photoresist**: A material indispensable for manufacturing ultra-small circuit patterns on semiconductors. It is used during the process where the circuit pattern is printed onto a wafer.
- **CMP slurry**: An abrasive material used to precisely planarize substrate that has various materials in its circuit structure, like metal or dielectrics.
- **Color resist**: A photo-sensitive coloring material for manufacturing micro color filters, used in image sensors.

Expand sales by offering leading-edge products, leveraging Fujifilm’s wide-ranging product portfolio and stable supply capabilities.

5. Healthcare & Material Solutions

Highly Functional Materials (Industrial Products, Electronics Materials & Fine Chemical)

Fine Chemical

Expand its business of high-function chemicals and laboratory chemicals.

- **Laboratory Chemicals**: Use in R&D for new drugs and other cutting-edge technologies and products, as well as in environmental analysis on water and soil quality. Expanding sales by utilizing its product development and manufacturing system to match small quantity of diversified products needs and a sales network that covers all of Japan.

- **High-function chemicals**: Utilize chemical synthesis technology cultivated from laboratory chemicals manufacturing to develop competitive products including Azo polymerization initiator necessary to manufacture superabsorbent polymer used in disposable diaper and others.

Providing high-quality and high-performance laboratory chemicals, speciality chemicals and diagnostic reagents based on the advanced technology of Wako Pure Chemical Industries to meet customer needs.
Since Fujifilm developed professional-use videotapes in 1959, the Company has offered products with high performance and high reliability to tape drive manufacturers throughout the world.

Magnetic tapes for data storage

Fujifilm’s magnetic tapes for data storage with barium ferrite particles (BaFe), which were developed by Fujifilm’s proprietary technologies, are achieving a high reputation in the market.

- Large capacity
- Long archival life
- Highly cost effectiveness
- Recording stability
- Energy-saving

Further usage in the data archive field is expected, reflecting the rapid increase of data in the world and the popularization of cloud computing.

Further expand the sales of magnetic tapes with BaFe particles.

### Graphic Systems/ Inkjet

- **Offset printing materials and equipments**
  - Graphic arts films
  - Printing plates (conventional plates, CTP (Computer to Plate) plates)

- **Inkjet digital presses**
  - *Jet Press series*
  - Wide-format inkjet systems

- **Inkjet heads and inks for industrial-use printers**
  - Acquired U.S.-based Dimatix, a leading manufacturer of industrial inkjet printheads in 2006
  - Inkjet heads and inks for industrial-use printers for various purposes such as construction materials and ceramics

- High productivity, suitable for large-volume printing such as newspapers and publications
- Mainstream is CTP plates where Fujifilm has world’s No.1 share
- Expanding the sales of processless CTP which is environment-responsive
- On-demand printing suitable for small print runs and commercial printing such as packaging. Future growth expected through diversified market needs
- Jet Press 750S has high image quality comparable to offset and environmental performance

Focusing on the growth market of inkjet digital presses and inkjet heads for industrial-use printers while securing stable profit with CTP plates
6. Document Solutions

Document

- Document solutions is a business conducted by Fuji Xerox (FX).
- In November 2019, FUJIFILM Holdings (FH) acquired the 25% stake in FX owned by Xerox (XC). FX operates as a wholly owned subsidiary of FH. FH agreed to New Collaborative Partnership with XC. FX is able to supply OEM products to additional customers worldwide and continue to supply products to XC in the mid- to long-term.

- Products that FX develops and manufactures are also exported to XC. Through XC, FX provides products globally.

31

Emerging markets (China, S.E. Asia etc.)

- A sector where Fuji Xerox is strong
- Covered by direct sales channels
- Streamline/strengthen dealer networks and aggressively reach the mass retailer market

Large enterprises, Public offices

Small to medium-sized enterprises

Expand market share by providing models that meet local needs centering on China and models that are cost competitive.

Developed markets (Japan, Oceania etc.)

- Document-intensive business processes within your organization
- (Internal Processes, Finance and Administration, Customer Acquisition, Communications)

Different types of documents used within the organization

- Planning / Production / R&D / HR / Finance / Legal / Sales / Marketing

- Offer solution services that support and resolve management as well as operational issues, which are becoming more diversified and complex, from a document viewpoint.

Continuous measures to reduce costs

- Expand customer bases in Asia, mainly China, and enhance solution services in such developed markets as Japan and Oceania by utilizing Fuji Xerox’s direct sales channels.
- By executing structural reforms which started in FY2018/3, we aim to establish a strong business base and to achieve 10% OPM in FY2020/3, one year ahead of schedule.
6. Document Solutions

**Office products & printers**

In addition to providing products such as digital multifunction devices, printers for offices and consumables, we also assist solving management issues through solutions utilizing cloud and mobile.

**Production Services**

In the commercial printing field, we also provide solution-oriented document services, such as high-speed, high-quality digital printing systems and printing workflow solutions.

**Solutions & Services**

We provide innovative solutions and services utilizing AI (artificial intelligence) and IoT (Internet of Things) technologies with the new value creation strategy called *Smart Work Innovation*, facilitating transformation into creative workstyles and assisting companies to enhance their corporate competitiveness.

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**Appendix**

**Investor Relations Website**

**FUJIFILM Holdings — Investor Relations**


**Earnings Presentations**


Earnings presentation materials (transcript attached), movie, main responses to queries, and more…

**IR Events Materials**


Conference materials, business presentation materials, and more…

**What Kind of Company is Fujifilm?**
